PERFORMANCE APPRAISALS

"What can be done to improve them?"

BY: Ralph E. Czerwinski, Chief
          Morton Grove Fire Department
          Village of Morton Grove, Illinois

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ABSTRACT

When we analyze fire service operations we realize that it is our employees that make our organizations effective, and that our missions can only be accomplished by the collective efforts of these individuals.

The focus of this research project was to evaluate the current state of performance appraisal in the fire service and to provide a point paper indicating methods that can be used to develop and implement an effective employee evaluation system. To provide direction for the project the following concerns were explored:

1.   What concepts should be considered when developing a fire service performance appraisal system?

2.   What has been the experience of other observers of evaluation systems that can help the fire service perform evaluations more productively?

3.   What can be done to help first line supervisors to evaluate their subordinates in a more productive manner?

The research method used was a descriptive study consisting of a literature review, the gathering of information from a survey instrument developed to determine the current status of existing programs and how they are being received by managers and supervisors and topical reference review.

The results of the research provided basic guidelines for performance appraisal systems that can

be used as the foundation for implementation in any fire service organization. With each organization

having its own structure and operational nuances, no canned program is recommended in this report,

only direction, and a basic framework.

Discussion included ways that an organization can utilize a performance appraisal program to

motivate employees to develop their talents and capabilities to the mutual benefit of the individual and

the organization. The content of an effective program as well as typical pit-falls and program

educational needs were reviewed.

Recommendations ranged from an explanation of the need for a time managed system, which is

ongoing through the year, to the simplification of the system to make the process more consistent and

defensible. In general it was found that to be effective, the employee and the supervisor/manager need

to be educated in the system; its good points and its potential pitfalls. The system should be consistent,

under continual review for improvement and be tailored to the employees of the department it evaluates.

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INTRODUCTION

The fire service, like any other business or organization that is service oriented, is finding that management skills must change. The other major realization is that the work force is our most valuable resource. To get the most from the work force and provide the best services possible, today's managers and supervisors must have appropriate evaluation tools to lead and coach the employee. Therefore, the purpose of this research project was to identify concepts and methods of using and applying performance appraisals effectively in the fire service.

The report will focus on the following concerns to determine ways to develop and implement an effective performance appraisal system in a fire service organization.

1.   What concepts should be considered when developing a fire service performance appraisal system?

2.   What has been the experience of other observers of evaluation systems that can help the fire service perform evaluations more productively?

3.   What can be done to help first line supervisors to evaluate their subordinates in a more productive manner?

This study utilized several research methodologies, one being a historical evaluation, to determine the current status of performance evaluation in the fire service. For this purpose, the author's

mutual aid division in northeastern Illinois was selected as the target of a survey to solicit information

from administrative and supervisory officers to determine perceived value and effectiveness of current

performance appraisal systems. Based on feedback from the surveys, the author hopes to develop

guidelines to assist other fire service administrators in their development of performance appraisal tools

and supervisor training. This report is being developed while the author is involved in the development

of a new performance appraisal system and associated training of supervisors in his own department.

The information gained while researching this project is being used as it is being acquired to improve the

effectiveness of on- going coaching and counseling of personnel in the author's department.

In summary, this report will attempt to evaluate methods and techniques that are available for

fire service administrators to design and develop performance appraisal systems. A comprehensive and

well-developed appraisal system can improve productivity and efficiency of personnel while providing

guidance for career development and enhanced employee coaching.

BACKGROUND AND SIGNIFICANCE

The National Fire Academy's Executive Fire Officer Program includes a course entitled "Executive Leadership". The focus of this course is to prepare the manager of a fire service organization by providing a framework for participants to conceptualize and use key processes to improve executive level skills, thus improving their ability to make decisions regarding a department's future with regard to its manpower and other resources. Upon completion of the course, students are required to conduct a research project as part of the course curriculum. To fulfill the requirements, this research project ties itself to the Executive Leadership course by using this project as a problem solving exercise while also utilizing several course components as catalysts towards exploring fire service performance evaluation systems. Several research methodologies will be used to collect information regarding the subject under review. As stated in the introduction, the purpose of this research project will be, to indicate what should be considered while utilizing a performance appraisal program in a fire service organization.

To provide some perspective on performance appraisals, it should be realized that one of the earliest recorded efforts at appraising job performance occurred in the U.S. Army. In 1813, General Lewis Cass was asked to provide formal evaluation of his men. Although General Cass' comments provide a humorous example, they also identify the problem that occurs when there are no specific goals established against which to evaluate performance. Some of the comments that were elicited from General Cass' evaluations are humorous but in some cases could be reflective of ill directed

performance appraisal systems in today's fire service. The following examples are from General Cass'

performance appraisals:

- This officer has talent but has kept it well hidden.

- He has failed to demonstrate any outstanding weaknesses.

- Open to suggestions but never follows same.

- Of average intelligence except for lack of judgement on one occasion in attempting to capture a

  rattlesnake for which he was hospitalized.

Despite the obvious drawbacks of such trait oriented rating systems, the U.S. military continued

to be in the forefront of developing a standard appraisal process. Later in the 1800s other federal

institutions such as congress and the civil service, attempted to implement performance evaluation

systems with varying degrees of success.

The first formal evaluation process in private business is thought to have been instituted in 1913

by Lord and Taylor, a New York department store. Following World War I, many businesses adopted

various merit systems of performance evaluation. Most tended to focus on traits of the employee and

how he or she approached the job rather than on the results of their performance.

The formal performance appraisal process has experienced a long history of critical and

negative scrutiny from practitioners and theorists alike. Research indicates that for some time it has

been recognized that there is inherent difficulty to the conducting of performance appraisals by managers

who are faced with the conflicting roles of employee developer and evaluator, then of being a coach and

sometimes being a judge.

Human resource managers and personnel directors struggle with the inadequacies of a

performance appraisal system which is used for both determining organizational consequences such as

pay or promotion, and for assessing individual abilities and motivations as they relate to individual career

development. Specifically, information required for a pay or promotion decision is primarily concerned

with a comparison between the performance of different individuals whereas information required for

developmental purposes is concerned with differences within and about a particular individual's

performance. The types of information needed for these two performance appraisal goals are quite

different and diverse and it may be impractical to gather both from most systems in use today. A

number of researchers have suggested that the two incompatible purposes of performance appraisal

should be separated temporarily, having two interviews as far apart in time as possible. In one, the

manager acts as a coach and engages in mutual goal setting, in the other, the manager acts as

scorekeeper and judge awarding salary increases on the basis of goals attained. At the same time, a

growing body of evidence has questioned the efficiency of traditional performance appraisal processes

overall. The argument against the traditional performance appraisal process seemed to be based on

logical or ethical considerations. Some of the nay sayers of the traditional performance appraisal have

pointed out short term performance fluctuations are best explained by environmental factors such as

resource availability or market conditions which are beyond the control of individual managers.

Rewarding or punishing an individual based on performance caused by situational variables is not likely to lead to improvements in individual performance because the individual's behavior is not the cause of a particular level of performance.

Furthermore, from a Total Quality Management (TQM) perspective, some writers have expressed a belief that the individual performance appraisal process is detrimental to the organization. In this view, the primary purpose of the traditional performance appraisal process is directed toward identifying and articulating differences among individuals. In a TQM system, differences among individuals' performances are intended to be small through the use of rigorous selection and training programs. If the differences in the performance across individuals are large, it is assumed the cause rests with the system. Therefore, the appropriate emphasis is on correcting the management system rather than the individual who is part of that system. More importantly, the emphasis on personalizing problems draws attention away from the team and cooperative nature of a work environment. In a traditional performance appraisal system, competition is emphasized rather than cooperation.

Despite these shortcomings of traditional performance appraisals, it is doubted the vast majority of fire service or public safety agencies will discontinue using this type of evaluation tool in the near future. Therefore, it is essential that first line supervisors and managers be adequately trained to properly administer the performance appraisal evaluations.

Over the years, both government and business have tried various systems to come up with the

most appropriate way to evaluate performance. It has now become generally accepted that the best

way to evaluate performance is to focus on the employee's behaviors and results not on their personality

traits. Performance appraisals have become the preferred method for observing, evaluating and

measuring employee performance.

While we all can become familiar with the need for performance evaluation, it is the rare fire

chief or organization that has significant background to sufficiently plan, instruct upon and implement an

effective performance appraisal system. This report will attempt to provide a guideline for components

that can be used as implementation tools for the effective use of a performance appraisal system. While

many of us will be unable to significantly alter the documents used for performance appraisal, the

delivery of that system and its impact on our employees can be significantly improved through training

and preparedness of our managers and supervisors. Hopefully this document will be of some value to

the fire service.

LITERATURE REVIEW

Part of this research project was to perform a review of literature available on the topic of performance appraisal. Most of the research for this project was performed on material obtained from the Learning Resource Center on the campus of the National Fire Academy. The material was obtained directly from the Learning Resource Center while the author was in attendance at the National Fire Academy for Executive Fire Officer training. Additional areas of research involved the experience of other fire service officers in the author's mutual aid division and material obtained from various libraries and research centers at colleges and universities in northeastern Illinois.

In a recent article on the topic in **Fire Chief Magazine**, (Thomas W. Aurnhammer, August, 1996, page 102) "Personnel Evaluations - Are we being effective?", summed up the importance of our personnel with the following comment,

In any organization personnel are the most valuable resource, and even more so in the fire service....The governmental bodies we work for engage people, material and money to provide various services to the public. The most important resource is the people, because an organization would have a hard time providing services with just cash and a lot of equipment. The human factor is critical to our ability to provide services to our customers.

This article continues by exploring the author's findings of what three main functions should be accomplished by an effective fire service formal evaluation program. The article indicated these are;

1) To inform the subordinates how they are doing and that their superiors are aware of that performance.

2) To give supervisors a more objective method to look at performance, and not rely on more subjective personal preferences.

3) To identify and allow the correction of deficient behavior.

During the research accomplished for this project these three basic functions have proved to be a solid foundation for an effective personnel appraisal and evaluation system.

While conducting performance appraisals an obvious dilemma is present: the process can provide powerful benefits, while being inherently difficult and awkward. Employee evaluations are a fact of organizational life no matter how they are conducted, be it in a formal or informal setting. Decisions about employees must be made and performance appraisal works best when it is done on the basis of an ongoing performance management system, in which goals and objectives are set in advance and performance coaching occurs throughout the year (Derven, 1990)

The process of performance appraisal is generally supported and appeals to employees at its onset, but they rarely support the process once it is implemented. It may not occur immediately to employees that they are conceding to management a powerful tool of control. Two reasons lie behind employee support and both stem from the fact that most workers think they are doing a good job.

Estimates and research suggest that 75 to 90 percent of employees believe that their performance is above average. Most workers want positive feedback but management is often uncommunicative. Performance appraisal requires management to notice what a good job workers are doing. Second, if you ask someone if they wanted to be judged on their accomplishments or their longevity, their accomplishments would normally be their preference (Rollins, 1988).

Performance evaluation systems affect an employee's career path and benefits and claims of discriminatory employment practices are increasing in government agencies. Research indicates that employees are three times more likely to sue their employers then they have been in the past. Many wrongful termination lawsuits are made possible or are based upon the employer's failure to have in place an adequate performance appraisal procedure (Eyres, 1989)

The American fire service is a business that needs to show that it is being run in an efficient manner and that its employees are productive. To provide a control mechanism in the organization and to give guidance to the employees, a performance appraisal program is essential. The success of any evaluation program depends on management's commitment, attitudes of supervisors, and training in its use. The process should not only be used to assess performance but also to motivate and improve the contributions of the employee to the organization. The process can be useful if it is understood that the employee is an adult and deserves to be treated as a responsible and essential member of the organization. If this is forgotten the evaluation program can do more harm than good and nothing will be accomplished to improve the supervisor/employee relationship. When improperly administered they do

not improve moral and in fact they decrease it, with an increase in mistrust and the introduction of

relationship barriers. What is needed is not criticism, subjective negative opinions, nasty comments or

surprise, but advice, counseling and help with problem analysis (Lee, 1990).

Good performance evaluations establish accountability for individuals in meeting established

goals and how performance will be judged if the goal is not reached (Carter and Rausch, 1989). There

is a human factor to performance appraisal and supervisors are certainly human, therefore, they can be

effected by various rating errors. The most common is the halo effect, which is the name for a tendency

to let one favorable or unfavorable trait influence the judgement of an individual as a whole. Training of

supervisors is essential to avoid this condition (Bittel, 1985).

While performing an employee evaluation the supervisor has a responsibility to communicate

professional goals and to discuss the actions of the employee from a professional standpoint not a

personal standpoint. The supervisor should stick to the main point, stay in the present, and look to

possible future action. This will generate a win-win situation so both the supervisor and the employees

are benefactors of the evaluation process (Caldwell, 1995).

Not all literature that was reviewed on the subject held employee performance appraisals in high

regard. Total Quality Management (TQM) is thought to be a promising development in management

literature and training. It is a development based on successfully applied Japanese management

techniques which have been brought to the United States by the teachings of W. Edwards Deming.

With its many messages are the importance of teamwork and system design. According to Deming,

"Apparent differences between people arise almost entirely from actions of the system that they work

in, not from the people themselves" (Deming, 1982). In other discussions along this frame of mind,

work by Frank A. Yeager in 1987 indicates that it is extremely difficult for supervisors to determine

what is an outstanding or fully satisfactory activity from that which we are reacting to. This is clearly

beyond the capability of any performance system. In such situations, performance appraisal becomes a

situation of blaming the victim, who is the employee. This belief would follow Deming's idea that we

should first fix the system before we find fault with the individual employee. This information is worth

noting; certainly the team concept or system in disrepair idea should be reviewed and all fire service

agencies need to look at themselves as an organization. The preponderance of literature indicates that,

if conducted properly and with training, an appraisal system does have a positive effect on employees,

not a negative one like these authors indicated.

Performance appraisal is perceived to be a critical human resource management function in most

organizations in the United States. Research estimates that over 90% of all large private sector

organizations in this country employee some form of systematic employee appraisal and review (Locher

& Teel, 1988). This can also be said for public sector organizations, as the number of these agencies

using formal appraisal processes continue to steadily increase (Maroney & Buckely, 1992). A

considerable amount of study has been paid to the role of the performance appraisal process because of

the belief that an effectively designed and implemented appraisal system can provide the employee, the

manager, and the organization with a host of positive benefits. The literature on performance appraisal

generally concludes that an affective appraisal system can provide the following benefits to an

organization and these would seem to be applicable to the fire service as well as any other public or

private organization. These were indicated by A.M. Mohranman Jr., S.M. Resnick-West, and E.E.

Lawler as; 1) provide management with a useful communication tool for employee goal setting and

performance planning; 2) increase employee motivation and productivity; 3) facilitate discussions

concerning employee growth and development; 4) provide a solid basis for wage and salary

administration; and 5) provide data for a host of human resource decisions.

Additional literature review on the topic indicates that having a sound appraisal system and

procedure is no guarantee that an organization's appraisal process will be effective. Managers and

subordinates must have a shared perception of the purposes and functions of the process and the belief

that the appraisal process is useful to them on an individual basis (Wright, 1985). The willingness to

participate in the appraisal process is just as important as having the necessary skills to conduct an

appraisal. With a system that a supervisor believes in and has skills with and the employee understands

the needs of, all parties involved can be satisfied (Longenecker and Goff, 1990). Further review

indicates that employees react favorably to the appraisal process when it satisfied their needs and

included an opportunity to state their position. When factors on which they were being evaluated were

job related and when objectives and plans were discussed openly. Management and subordinates do

not always agree on what constitutes an effective appraisal. When managers and subordinates have

shared understanding of the purpose of the appraisal and each party's role in the appraisal, the

subordinate's acceptance of the appraisal increased (Longenecker, 1987).

In light of the information reviewed it can be said that the performance appraisal system could be looked upon as being unfair and biased by human influence or subjectivity. However, the preponderance of the literature reviewed indicates that a system that is well thought out with training for the rater and the employee can develop into a win-win situation for an organization. A process can be developed that provides realistic performance standards, on-going monitoring of employee performance and improved communication in an organization. This will then enhance the work environment and improve performance, or at least document poor performance and management's attempts to make corrections.

PROCEDURES

To obtain information on the topic an extensive literature review on the subject was conducted along with an information survey. The survey information was used to determine whether other fire service administrators and supervisors of the author's area had concern regarding the effectiveness of evaluation and performance appraisal systems. The distribution of an informational survey to solicit comparative data on the topic was conducted.

The survey instrument was formulated into a four-item questionnaire designed to assess subordinate supervisors and managerial perception of the effectiveness of their current employee appraisal process. The questionnaire employed a ten point rating scale ranging from a 10 which was the most positive opinion or level of agreement to 1 which is the least positive opinion or lowest level of agreement. With each item a second inquiry was made to gain understanding with regard to recent changes in the performance appraisal process. If the instrument was developed in the past three years, it was thought to be a recent change. In general, it was asked if the new process was appropriate and progressive. This second inquiry was evaluated from one to ten with ten being the most positive and one the least positive, N/A was also available if this portion did not apply. Additional space was provided to comment on items in the survey.

The survey instrument was administered to management and supervisory officers of the seventeen fire service organizations in the author's mutual aid division. To provide additional

understanding with regard to the information received random telephone interviews were conducted

with survey participants to focus on information obtained and to understand what was submitted. (A

copy of the information survey form is in the appendix of this report)

It was assumed that all respondents answered the questions honestly and that all were

knowledgeable with respect to the topic, due to their position as officers on their respective

departments. The limiting factors of this information's application, were the fact that this is a small

population of inquiry and it is particular to the instruments in place at the surveyed departments of

northeastern Illinois.

RESULTS

Based on the results obtained from the survey and subsequent interviews the following finding were

obtained:

In the table presented below a comparison is developed between the responses solicited from

chief officers and subordinate officers. For the purpose of simplification and presentation of these

results the responses were consolidated into two general types, with one through five being negative or

disagreement and 6 through ten being positive or agreement.

Item	Position	Disagree	Agree
Competencies of the current evaluation program are appropriate to the job being evaluated	Manager Subordinates	46% 72%	54% 28%
Process provides relevant feedback on self-development to the individual being evaluated	Manager Subordinates	23% 70%	77% 30%
Process has a positive effect on employee morale.	Manager Subordinates	70% 73%	30% 27%
Process is a valid source of employee assessment.	Manager Subordinates	30% 57%	70% 43%

In the first criterion, which referred to the competencies of the current evaluation system and

their being appropriate to the job being evaluated, there was disparity between the opinion of

management and subordinate officers. With most of the respondents indicating a negative attitude

toward their current system.

The second area of concern was the relevance of feedback for self-development obtained by the individual being evaluated. In this area there is a clear split between the beliefs of management and subordinate officers. Management perceives adequate feedback is being provided while the subordinate officers do not.

With regard to the third area of concern, which pertains to the effect performance appraisals have on morale, it is unfortunate, but the apparent position of both management and subordinate officers indicated that current evaluation systems have a negative impact on employee morale. While there is constancy, it provides somewhat of a sad commentary about our current evaluation systems. Hopefully this report can provide some information to improve the overall evaluation process, from a morale aspect.

The fourth and final item on the survey asked if the process was thought to be a valid source of employee assessment. While the subordinate officers were somewhat evenly split on the issues, the management officers were much more positive about the current system. The exact rationale behind this response is unclear however, possibly, the systems in place were providing information that management officers could use or it might be that management played a significant role in developing the document and were more informed with regard to what could be obtained from them.

The demographics portion of the survey provided little if any real significant information outside of providing sorting capability. The frequency of evaluations and the history of evaluations proved to be

of no real value. Unfortunately, the inquiries regarding what impact changes in evaluation systems have

made in the past three years were not very revealing. While it had been thought this would have shown

possible trends, no information of substance was gained. Possibly with a larger study group this material

would have been more revealing.

The results of the material obtained in the four main items of the survey, supported by

clarifications obtained by telephone survey (which supported the original survey instrument responses)

suggest that improvements are needed to develop an effective appraisal process for the fire service.

The content of this paper will focus on the ways of developing and implementing an effective

performance appraisal system.

The literature review and the survey results indicated appraisal systems are not always as

effective as organizations believe. In the recommendation and discussion portions of this document

methods and concepts of providing an effective performance appraisal process will be presented.

DISCUSSION

After all is said and done, organizations exist because certain needs can be met only through the collective efforts of individuals. As such, an organization is only as effective as the talents, capabilities, and performance of its employees. A performance evaluation program is intended to motivate employees to develop their talents and capabilities to the mutual benefit of the employee and the organization. Unfortunately, performance evaluation is too often viewed as an exercise designed to determine the amount of pay increase to be awarded an employee. This is only one aspect of performance evaluation. An effective program must meet the following objectives:

1.   Provide information on job expectations and performance standards to the employee.

2.   To keep the employee and high level managers periodically appraised of the employee's performance during the evaluation period.

3.   To identify an employee's strengths and weaknesses for the purpose of providing on-the-job training or formal instruction aimed at providing performance in the position presently held and qualifying the employee for career development opportunities.

4.   To identify employees with potential for promotion, transfer or special assignments.

5.   To provide a system of monetary incentives based upon individual performance.

6.   To improve supervisor/employee communication by providing a process for the development of mutual goals, objectives and evaluation criteria.

There are a variety of types of performance evaluation systems in use today. These include

essay appraisals, peer review, ranking systems, production based systems, descriptive rating systems,

critical incident based systems and many others. All have advantages and limitations, advocates and

critics, regardless of the type an effective system must contain the following components:

1. **Job related**. That is the criteria on which employees are evaluated should be directly relevant

    to the jobs they perform. There must be different criteria for each job or job family in an

    organization. A secretary in the fire department should not be evaluated on the same criteria as

    a company officer.

2. **Significant**. The criteria used for performance evaluation should not only be job related, they

    should also be those which are most significant or critical to the job being performed.

3. **Accurate**. The system should reflect actual differences in performance. Those receiving the

    highest ratings should be the best performers.

4. **Reliable**. There should be consistency within a given rater and between raters. Evaluations

    should also be free of bias. In other words, subjective judgements should be minimized such

    that the ratings given one employee by two raters or evaluators of an employee made on

    different days of the week or at different times of the day will be essentially the same.

5. **Legally Defensible**. The recommended system should be capable of meeting applicable legal

    standards of job relatedness and overall validity.

It is relatively easy to identify job related evaluation criteria. The difficult part is identifying

measures or standards of performance for each criterion. This is a problem because criteria such as

time and production standards, quality controls, sales volume, profit and other widely used standards of

the private sector are not easily transferable to the public sector. It is extremely difficult, if not

impossible, to establish realistic standards for the variety of work done by government employees, and

to develop reporting systems to measure performance against the standards and to fix individual

responsibility for accomplishment.

In the purest sense, an employee's performance is measurable only as results. Results are

outputs, the actual products of job performance, and as such should be measurable by quantity, quality,

cost or time standards. Moreover, if results are to provide meaningful measures of employee

performance they should:

1.   **Be directly related to organizations, work units or individual goals.** The primary function

      of any organization is, after all, to obtain certain goals related to the purpose of that organization.

2.   **Be measurable.** The evaluation, on the basis of results, assumes the results are quantifiable

      and that standards exist or can be established against which to measure their attainment. It also

      assumes that systems exist or can be established to collect data required for a measurement and

      that such systems are reliable and practicable.

3.   **Be attributable to the employee.** For an employee to be evaluated on the basis of results,

      responsibility for achieving specific results must be directly attributed to the employee and the

      employee must be able to affect the resultant outcomes.

Another key factor in the evaluation process is the avoidance of rater errors. While most supervisors and managers take this process seriously, they can be affected by attitudes or emotional feelings regarding their contact or association with the employee. It is important to review the potential attitudes, tendencies, or inconsistencies in the evaluation of employees that result in inaccurate ratings. Most rater errors can be attributed to use of an inadequate performance evaluation system or inadequate training of evaluators. Research has indicated that the most common rater errors are: halo or horns effect, central tendency, positive lenience, negative lenience, similar to me, contrast effect and the recency effect. Anyone can be guilty of these errors and in fact most evaluators are not aware they are making an error. By making evaluators aware of rater errors, it is possible to substantially reduce their occurrence. The common rater errors and ways to avoid them are as follows:

Halo effect and horns effect. The halo effect is a tendency to rate an employee who demonstrates outstanding performance on one criterion, high on all other criterion; conversely rating an employee low on all criterion because of unsatisfactory performance on one criteria is the horns effect. Some ways to reduce the horns/halo effect include:

1.   In cases where an employee is rated uniformly low or high on all criterions recheck each rating to insure they accurately reflect the employee's performance on each criterion as defined.

2.   Ask yourself if the employee has done anything you particularly like or dislike over the past few months. If so, could it be affecting your rating.

3.   Maintain accurate records of the employee's performance.

4.   Become thoroughly familiar with the evaluation criteria. Remember each criterion is a separate

element of total job performance.

The next area of rater error, which will be reviewed, is the **central tendency** or leniency errors. This occurs when the evaluator rates a majority of the employees as meeting job standards which is typically the middle level of the rating scale on each criterion. If more than eighty percent of an evaluator's ratings are at the middle of the scale, central tendency may be present.

Leniency errors refer to the tendency to not use the middle of the rating scale. **Positive Leniency** occurs when the evaluator gives all or a disproportionate number of high ratings. As a general rule, if more than fifteen percent of an evaluator's ratings are at the top of the rating scale, or more than forty percent of the top two levels then positive leniency may be occurring. **Negative Leniency** is the opposite of positive leniency. If an evaluator gives more than ten percent of all ratings at the lowest level of the rating scale, or more than twenty-five percent at the two lowest levels, then negative leniency may be a problem. It is not an error, however, to give a disproportionate number of either high or low ratings when those ratings are deserved. The following is a list of ways to reduce these errors from being included in your evaluation process.

1.   It should be remembered that most employees will probably be performing at a point that is just

below the job satisfaction standard or just above average at the exceed job standards level on

at least some of the criterion.

2.   Remember, few employees are outstanding or unsatisfactory in every element of job
        performance.

3.   Compare ratings with the ratings given by other evaluators in your division or department. If
        your ratings are consistently higher or lower than those of others, a leniency error may have
        been committed.

4.   Confer with other evaluators to make sure there is a common agreement on the interpretation
        and use of the ratings scales.

The next area of rater error, which should be explained is the **similar to me and contrast errors**. The similar to me error is a tendency to give slightly higher ratings to employees who are similar to the evaluator in attitudes, education, work habits, personality, etc. than to employees who are not. Friendships and personal loyalties can also precipitate this type of error. The contrast to me errors have a negative ramification for employees who are in contrast with the evaluator. Similar to me and contrast errors can be avoided by:

1.   Reviewing evaluations to determine if employees similar to the evaluator are receiving the higher
        ratings. Be particularly alert for this problem with respect to friends of the evaluator.

2.   Reviewing evaluations to see if lower ratings are being given to employees who are very
        dissimilar to or disliked by the evaluator.

3.   Avoiding direct comparisons between individual employees. Ratings should be based on the
        criterion and their definitions.

The **recency effect** also presents as an error generator in evaluations. This error results from inadequate monitoring of an employee's performance throughout the evaluation period. Twelve months is simply too long of a period to retain mental notes regarding an individual's performance. If records are not kept throughout the year, the evaluator's ratings will be unduly affected by recent performance of the employee. The way to avoid this error, of course, is to maintain an ongoing record of employee performance during the evaluation period. A form and procedures for monitoring evaluation performance should be developed to enhance the supervisor/manager's record keeping capabilities.

The results of this study clearly focus on the need for adequate planning and training before implementation of an employee appraisal process.

RECOMMENDATION

A number of benefits are attained from taking the time and making the effort to provide an effective performance appraisal system. From a management standpoint improvement in appraisal systems is needed from the aspect of design and support. Design issues include spreading employee appraisals over the entire year to reduce the appraisal workload during a specific period of the year, reducing the amount of paperwork associated with the evaluations and providing clarity with regard to the purpose of the appraisal process. There also is the thought that instead of providing a multitude of ratings or degrees of efficiency the appraisal should indicate the trait being evaluated and the indication should be simplified to "meets expectation" or does not "meet expectation". The in-between variables are confusing and cause problems in explaining the degree of efficiency which, in most cases, just causes rater variance, and a lack of organizational consistency.

From a subordinate perspective, the manager is the element that needs improvement. This study suggests the need for enhanced performance planning, better performance monitoring during the year and ongoing feedback during the year. When the review takes place, managers must take the time to conduct effective reviews, minimize personal feelings, put considerable emphasis on employee development, and increase two-way communication.

In general, to be effective, the employee and the supervisor/manager need to be educated in the system, its good points, and its potential pitfalls. The following main points are seen as overall

recommendations in the development and use of an effective and productive performance appraisal system.

Every employee, including all manages and subordinates, must have clear understanding of the appraisal system. Everyone needs to understand the goals of the process; without understanding, the process will be fraught with confusion and mistrust.

Consistent and ongoing training for managers and supervisors in the application of the system is essential for its success and to make it valuable to the employees and the organization. The appraisal process must be conducted skillfully and efficiently or the system will lose its credibility. If the wrong message is given to the employee positive activity and traits will not be supported and negative work habits will not be corrected.

The development of clear performance standards is an essential foundation for the evaluation process. To make the appraisal process effective clear goals should be established to determine proper employee activity. This will allow the employee to understand what future action should be taken: to continue acceptable performance or to correct unacceptable behavior.

Informal, ongoing appraisals should be used to support the formal process. With ongoing, informal meetings progress can more realistically be monitored. The appraisal process is only as effective as what happens during the year. An ongoing process of regularly scheduled informal

meetings can enhance the employee's understanding of the supervisor's expectations. These meetings will allow minor course corrections in employee activity and will facilitate the correction of minor problems before they become major concerns.

Supervisors and managers need to be willing to conduct useful performance appraisals, and should be evaluated themselves as to their ability to do so. Some of the literature and the results of the survey in this report indicate that, at times, management believes that the appraisal system and their application of it is fulfilling the function for which it has been developed and they will be less than willing to make changes. It also should be noted that any failures of the system are the responsibility of management. Effective management and supervisory application of an effective appraisal process requires on going training and evaluation process review from an application and communication standpoint.

The appraisal process should be continually under review. The intended function of the process should be current. Lines of communication should be developed to ensure that essential job functions are being evaluated. Employee comments should be obtained to understand perceptions that are being developed with regard to the process. If continual review is being conducted the system and its training can be corrected to address shortcomings that develop.

Through proper training and the development of a positive attitude toward a progressive appraisal process, the key resource of the fire service, its personnel, can be fully utilized.

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APPENDIX

<u>**FIRE SERVICE PERFORMANCE EVALUATION INFORMATION SURVEY**</u>

Information will be used in an Executive Fire Officer research project

(PLEASE COMPLETE AND RETURN BY DECEMBERBER 1, 1997, BY MEANS INDICATED AT THE BOTTOM OF THIS FORM)

<u>**INTRODUCTION**</u>

The following survey has been developed to evaluate performance appraisal programs in the fire service. This instrument has been developed to determine expectations and existing activity with regard to this issue. Input is being requested from fire service administrators and supervisory personnel.

--
  <u>**Profile of Survey Participant's Fire Department**</u>   **Department Name:** _____

(Check the most appropriate box and fill in the blank)

- Fully Paid, • Combination, • Volunteer   **Prepared By:**

_____

Number of Members on your Department? _____

-   <u>**Position of Survey Participant**</u>

(Check the position that is most appropriate in the following)

40 hour Administrative Officers

- Fire Chief, • Deputy Chief, • Other Administrative Officers
      <u>Shift Administrative and Supervisory Officers</u>

- Shift Commanders (i.e., District Chiefs, Battalion Chiefs, Commanders, and Captains)
- First Line Supervisors (i.e. Captains, Lieutenants)

Æ **History of Participant's Appraisal/Evaluation System**

How <u>old</u> is your current performance appraisal/evaluation system?

- New system this year, • 2-3 years, • 4-6 years, • 7-12 years old, • 13-plus years

Ø Frequency of Evaluations

ê Annual   ê Bi-Annual   ê Quarterly   ê Other _____

o   <u>**INSTRUCTIONS**</u>

The following survey questions are designed to elicit your opinion regarding the effectiveness of current performance appraisal/evaluation programs in your fire department. Evaluate these items as they relate to your position, and use the last **three years** as a frame of reference to indicate if this condition or aspect has changed.

Use the scale provided with 10 being the most positive opinion or highest level of agreement with the statement and 1 being the least positive or the highest level of disagreement with the statement, and N/A where appropriate.

1.)   The competencies of the current evaluation program are appropriate to the job being evaluated.
                    - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

If the evaluation system changed in last three years, in this aspect, was the change appropriate and progressive.
                    N/A - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 –10   +

Comments_____

2.)   The process provides relevant feedback on self-development to the individual being evaluated.
                    - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 –10   +

If the evaluation system changed in last three years, in this aspect, was the change appropriate and progressive.
                    N/A - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

Comments_____

3.)   The process has a positive effect on employee morale.
                    - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

If the evaluation system changed in last three years, in this aspect, was the change appropriate and progressive.
                    N/A - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

Comments_____

4.)   The process is a valid source of employee assessment.
                    - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

If the evaluation system changed in last three years, in this aspect, was the change appropriate and progressive.
                    N/A - 1 - 2 - 3 - 4 - 5 - 6 - 7 - 8 - 9 -10   +

Comments_____

PLEASE RETURN COMPLETED SURVEYS BY FAX, MAIL OR IN PERSON:

TO: RALPH CZERWINSKI, FIRE CHIEF   WK PHONE–   (847) 470-5226
        MORTON GROVE FIRE DEPARTMENT   FAX –   (847) 965-7711
        6250 LINCOLN AVE.
        MORTON GROVE, IL 60053